

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

**AMERICAN HOTEL REGISTER
COMPANY,**

Plaintiff,

V.

**AMERICAN SALES BROKERAGE,
COMPANY, d/b/a AMERICAN SALES
COMPANY, INC., et al.,**

Defendants.

Case No. 1:07cv709

JUDGE KATHLEEN O'MALLEY

ORDER

Upon motion and request by Plaintiff, on May 1, 2007, the Court held a hearing for Defendants American Sales Brokerage Company, d/b/a American Sales Company, Inc. (“ASC”) and its owner, Shahnaz Ali, to show cause why they should not be held in contempt for violating a Court order, specifically an Agreed Preliminary Injunction (Doc. 13) entered into by the parties and approved by the Court.¹ Counsel for Plaintiff were present at the show cause hearing, but neither Ms. Ali nor anyone else on behalf of the Defendants appeared. Defendants failure to appear or otherwise oppose the merits of Plaintiff’s motion to show cause is taken as an admission that they

¹ At the time of the Agreed Preliminary Injunction, Defendants were represented by counsel, who has since withdrawn because Defendants would not respond to his communications. *See* Doc. 14. The Court granted the motion to withdraw, and Defendants have not retained new counsel.

are, in fact, in violation of the Agreed Preliminary Injunction. Defendants' violation of the Agreed Preliminary Injunction and failure to appear at the show cause hearing are not the only actions Defendants have taken in total disregard of Court orders. On March 20, 2007, the Court granted in part Plaintiff's Motion for Expedited Discovery and ordered Defendants to respond to certain requests for production of documents as well as to produce a corporate representative to appear for a Rule 30(b)(6) deposition. According to Plaintiff, Defendants have made no attempt to comply with that order, despite receiving notice of a deposition.

Given Defendants' flagrant disregard for the Court's orders and the judicial process generally, the Court has no choice but to hold Defendants, including Ms. Ali, in civil contempt for failure to obey Court orders if Defendants do not come into compliance **within ten (10) days of the date of this Order**. Specifically, the Court orders the following:

- (1) Defendants must do the following to come into compliance and avoid being held in civil contempt:
 - (a) Pursuant to the terms of the Agreed Preliminary Injunction, "maintain a conspicuous notification on any and all websites affiliated with ASC, stating as follows: 'American Sales Company, Inc. is not in any way affiliated with American Hotel Register Company. American Hotel Register Company does not support, endorse, or condone American Sales Company Inc.'s activities.'"
 - (b) Pursuant to the terms of the Agreed Preliminary Injunction, "provide a list of all customers to which ASC has sold or solicited, contacted or otherwise communicated with concerning the sale of, products available for purchase in American Hotel's Buying Guide, including the customer name, address, telephone and fax numbers, contact person and the date of such sale or communication.
- (2) Failure to comply **within ten (10) days** of the date of this order will result in additional sanctions, **including the issuance of a WARRANT FOR THE ARREST OF MS. SHAHNAZ ALI, individually and as a corporate representative for ASC, as well as incarceration of any other principles or officers of ASC.**

- (3) Defendants have also failed to answer the Complaint, despite being granted an extension of time until April 30, 2007 to do so. The Court, therefore, **DIRECTS** the Clerk of Court to enter default against Defendants pursuant to Rule 55(a) of the Federal Rules of Civil Procedure. If Defendants fail to **SHOW CAUSE within ten (10)** days of the date of this Order why default judgment should not be entered against them, **JUDGMENT SHALL BE ENTERED** without further notice of hearing from the Court.
- (4) Plaintiff is **AWARDED** all costs incurred, including attorney fees, in attempting to enforce the Agreed Preliminary Injunction (including attendance at the show cause hearing) as well as costs and fees incurred in attempting to obtain discovery pursuant to the Court's order permitting expedited discovery. Plaintiff shall submit an itemization of attorney fees within ten (10) days of the date of this Order.
- (5) The parties shall notify the Court if and when Defendants come into compliance with this Order. If Defendants fail to come into compliance within ten (10) days, Plaintiff shall notify the Court of such failure, and the Court will issue a separate order directing that an arrest warrant issue for Ms. Ali and any other principle or officer of ASC.

IT IS SO ORDERED.

s/Kathleen M. O'Malley
KATHLEEN McDONALD O'MALLEY
UNITED STATES DISTRICT JUDGE

Dated: May 3, 2007